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SUBJECT: CORAL TRIANGLE INITIATIVE: BACKGROUND & GUIDANCE

Ref: N/A

¶1. This is a joint State-USAID action request for Manila, Jakarta, Kuala Lumpur, Dili, Honiara, Port Moresby, Bangkok, and Canberra. See para 7.

¶2. Summary: Posts are requested to provide political and public diplomacy support to highlight USG involvement in the Coral Triangle Initiative (CTI), and to encourage the six governments involved to take the ambitious steps needed to make the initiative a success. The Coral Triangle is a 5.7 million square kilometer region of great biological abundance and diversity bounded by the Philippines, Malaysia, Indonesia, Solomon Islands, Timor Leste, and Papua New Guinea. The heads of these six countries have agreed to work together under the CTI to promote sustainable fisheries, sustainable livelihoods and adaptation to climate change. CTI has been endorsed by the White House. The USG in coordination with the governments of these states (plus Fiji and Vanuatu), the GEF and ADB, the Government of Australia, and a consortium of NGOs headed by World Wildlife Fund for Nature (WWF) is providing significant support to the CTI. The project seeks to preserve the unique biology and improve the management of marine resources, which directly support the lives of over 120 million people and contribute to regional stability and food security. End Summary.

#### BACKGROUND

¶3. The Coral Triangle covers roughly 5.7million square kilometers of ocean and is "the epicenter of marine life abundance and diversity" on Earth, with over 600 coral species; 3,000 fish species; and the greatest extent of mangrove forests of any region on the planet. In August 2007, Indonesian President Yudhoyono proposed the multilateral "Coral Triangle Initiative" partnership to preserve the region's unique marine and coastal biological systems. These systems are now significantly at-risk due to overfishing, destructive fishing methods (e.g. dynamite / blast fishing), habitat degradation and conversion, climate change, and land-based sources of pollution among other factors. At the APEC Summit Declaration in September 2007, 21 leaders in the Asia Pacific region welcomed the CTI. Since then this initiative has steadily gained momentum. The USG first publicly announced its intent to provide financial assistance to the CTI in December 2007 at the Bali Cop-2 meetings. The "CT-6" governments are working to finalize the regional "CTI Plan of Action" by May 2009, when the World Oceans Conference will be held in Manado, Indonesia. Substantial early donor commitments have already been made by the USG, the Global Environment Facility (GEF) and the Asian Development Bank (ADB). We expect other bilateral donors, in particular Australia, to also provide significant financial and/or in-kind support.

¶4. The CTI as currently conceived is a five-year project that focuses on protecting the marine and biological systems of the region in the Pacific called the Coral Triangle: an area bounded by the littoral

states of Indonesia, Malaysia, Papua New Guinea, Philippines, Solomon Islands, and Timor-Leste (known as the "CT-6" countries). Under the GEF and ADB umbrella funding, Fiji and Vanuatu are also included in the Initiative. This region's biological resources produce direct economic benefits that support over 120 million people living in the region, and provide further positive economic externalities for millions worldwide. The CTI is the logical extension of three decades of US-investments in coastal resource management, fisheries and marine-protected area work funded through the USAID-supported Sulu-Sulawesi Marine Ecosystems (SSME) matching grant program, USAID-supported bilateral programs with Indonesia and the Philippines, USAID-supported seascapes in Indonesia and Papua New Guinea, USAID-supported biodiversity programs in the Pacific, and State/EAP -funded marine and coastal programs in the South Pacific. The CTI builds on these successful USG programs and investments in coastal resources management and marine conservation in the Coral Triangle region, and using lessons-learned from previous initiatives actively promotes cooperation and coordination among the six main CTI nations and two neighboring islands.

15. Department of State has provided start-up support of \$750,000 for the CTI Secretariat over two years. USAID has programmed regional and bilateral support up to \$40 million for the CTI over five years in its budgets starting in FY08. The USAID project will fund NGO consortium activities that meet specific, well-defined program and project needs. A "rolling design" will allow the program implementers to meet needs identified in national and regional CTI plans of

STATE 00103448 002 OF 004

action. (Descriptions of NGO consortium activities are provided below.) If emerging needs or unexpected exigencies arise during implementation, the flexibility of this "rolling" program design will allow various components or milestones in specific projects to shift.

#### 16. Roles of the Various Actors:

-CT-6 governments: For the CTI to reach its full potential, host governments will need to take the lead in their respective countries in developing appropriate plans, investing human and financial resources, and creating effective policies and regulations to carry out the key aspects of the CTI program. Without this leadership, the CTI will be nothing more than an externally-driven, donor-led plan that will not achieve success or sustainability. The region is littered with such failed efforts and the CT-6 governments, with encouragement from donors, should do everything within their means to avoid a similar fate. In the near term, host governments need to establish a National Coordinating Committee (NCC) with as broadly-based representation of government and non-government stakeholders as possible, develop a CTI National Action Plan (NAP), engage actively in formulation of the Regional Action Plan, push to meet ambitious timelines envisaged in the CTI plan, make necessary policy and regulatory reforms for sustainable fisheries and marine resource management, increase investments (budgets) in sustainable resource management, if at all possible identify and provide staffing and financial support to establish and maintain an effective CTI secretariat, and maintain open communication with NGO Consortium representatives active in their country.

-USAID/RDMA: provides overall management, coordination, and administrative support for the integrated USG program through its Bangkok mission. RDMA will coordinate with appropriate USAID mission officers and CTI "Cognizant Technical Officers" in Indonesia, Philippines, and Timor Leste; as well as appropriate USG Mission officers in Malaysia, Papua New Guinea, Solomon Islands, Fiji, and Vanuatu. The RDMA will also explore possibilities to work in conjunction with NGOs to address demand-driven resource degradation problems emanating from China.

-USAID "Program Integrator" (PI): In September 2008, USAID selected a contractor (ARD-Tetra Tech) to function as a "Program Integrator." The central role of the PI is to provide, promote and coordinate USG support to the CTI. In addition, the PI coordinates the regular exchange of information among USAID partners, RDMA, bilateral missions, USAID and State representatives in Washington, and other USG agencies, coordinates dialogue among donors to avoid duplication, provides program coordination and administrative support for the

CTI, consolidates semi-annual financial and progress reports, plans program assessments, provides technical and training support for the Secretariat, and conducts long-term sustainability planning.

-US Department of State: The Department of State with funding from EAP and expertise/oversight by OES is providing FY 07 funding to the NGO consortium to support the establishment and strengthening of a Regional CTI Secretariat. The Secretariat's role will be to coordinate the interaction of the six governments involved, key NGOs, and other relevant multilateral actors to ensure that the CT6 move toward timely production of the CTI Regional Action Plan. The Government of Indonesia has seconded staff to provide initial support for the Secretariat. The consortium NGOs (see below) will contract and mentor six (one from each CT-6 country) interim staff for the Secretariat, until a more permanent Secretariat can be established, and provide staffing capacity in the run-up to the World Oceans Conference in May 2009.

-NGO Consortium: The World Wildlife Fund (WWF), Conservation International (CI), and The Nature Conservancy (TNC) are the lead implementing NGOs on this project for both the State and USAID assistance programs. These NGOs have developed and delineated the CTI concept in partnership with the CT6 country governments. They continue to play this intermediary role, as well as to serve in an advisory capacity to the Secretariat and the National Coordination Committees (NCCs) who will serve as arms of the Secretariat at the national and local levels. The following provides brief detail on the CTI focus/role of each.

-World Wildlife Fund for Nature (WWF): WWF has a 40 year history of conservation and resource management work in the Coral Triangle (CT) region, (NOTE: delete, as part of that investment is from USAID) and their WWF Coral Triangle Program is built upon over 20 years of experience and lessons learned from substantial site-based work. Their current work in the region is focused on five transformational themes: Marine Protected Areas (MPAs) and sustainable financing of MPAs; sustainable fisheries, species conservation and management, with a focus on sea turtle bycatch; climate change; and tourism.

STATE 00103448 003 OF 004

-The Nature Conservancy (TNC): TNC has been active in the Coral Triangle region since 1991 and has well-established conservation programs in Indonesia, Papua New Guinea and the Solomon Islands. TNC established the Coral Triangle Center in Bali in 2000, and launched the Coral Triangle program in 2006. To date, TNC has provided funding for Key interim Secretariat staff and for "CTI Plan of Action" Roadmap-related activities. The Nature Conservancy's goal in the Coral Triangle is to help establish 15% of the coral reef systems in effective conservation management in the next 10 years; it has also taken a leading role in the selection and design of resilient Marine Protected Area (MPA) networks. TNC is involved in efforts to understand how to identify and protect those reefs most resistant to bleaching and currently is working in seven large MPA networks across Indonesia, Papua New Guinea and the Solomon Islands.

-Conservation International (CI): One of CI's highest-priority goals for 2005-2014 is to establish protective management regimes in five key seascapes globally - in ocean ecosystems with the most species at risk, and to initiate 20 new marine protected areas for marine wildlife and critical habitats. CI's programs are managed by highly-qualified professionals located in Indonesia, Papua New Guinea, Philippines, Solomon Islands, and Australia. CI technical staff consists of complementary specialists in species conservation, coastal zone management, integrated conservation and development projects, governance, policy, communications and education. CI specifically supports policy reform in Philippines, Indonesia, and to a lesser extent in PNG, the Solomon Islands and Sabah. CI has supported 42 institutions (government, local communities, academic institutions, and NGOs) in the Sulu-Sulawesi and Papuan Bird's Head Seascapes.

Bilateral USAID Missions: Bilateral missions in the Philippines and Indonesia are devoting a portion of bilateral assistance money to the RDMA's CTI Program, and in addition will support other CTI-relevant projects in light of the centrality of environmental, food security and regional stability goals in those mission's foreign assistance strategies. USAID Missions through their CTOs will retain approving authority over the use of the funds they contribute to the RDMA's CTI Program. In addition, bilateral missions will continue or expand

their support of programs that contribute to CTI objectives.

-Local Community Groups and NGOs: A critical component of the CTI is the participation and substantive involvement of local community groups and NGOs in development of National Action Plans and in overall efforts to implement the CTI. These groups will work with the NCCs on daily implementation of the CTI projects and help spread awareness of the importance of CTI. The regional "CTI Plan of Action" is also intended to be inclusive of women, minorities and marginalized groups, represent local sentiments and viewpoints, and to be sustainable given specific local needs and capacities.

-Other USG Agencies: Other USG agencies not named above (such as NOAA and DOI) may be engaged for specific CTI-related tasks through Interagency Agreements.

-Other Donors: Donors such as the ADB, UNDP, World Bank, other developed countries, and various national or international private foundations, such as the Walton Family Foundation, may potentially provide significant funding or leverage third-party resources for CTI. ADB has been selected to manage a portfolio of GEF activities in South Asian and Pacific countries.

17. Action requested: The CTI is a significant and very complex USG-supported initiative which has the prospect of addressing in an integrated fashion a region of considerable importance to the prosperity, sustainability, stability and viability of this six nation-plus, multi-million person ecological region. State and USAID urge posts to utilize political and public diplomacy tools in as active a manner as feasible to highlight USG support for the CTI and encourage host governments to take the steps necessary for the initiative to meet its far-reaching goals. Posts are also encouraged to report on CTI activities undertaken, host country and civil society views, and other information pertinent to understanding the evolution of CTI efforts and updating USG strategy. Posts are also urged to continue pressing countries for improved fisheries management, improved coastal management and environmental/ regulatory reforms. Among specific steps posts are encouraged to consider are:

-Utilize meetings and demarches, as appropriate, to convey strong US interest in, and support for CTI and its objectives, and to identify and encourage support from host government officials whose buy-in is crucial to CTI progress.

-Urge host country governments to devote sufficient attention and resources to make the initiative successful and to identify and task appropriate ministries and staff to work together on CTI as their primary focus. Encourage these personnel to work closely with the CTI

STATE 00103448 004 OF 004

Secretariat and/or national Coordinating Committee members to develop their national Plan of Action. Encourage countries to accelerate their CTI efforts so as to meet the May 2009 target to present a regional CTI plan at the World Oceans Conference.

-In coordination with Embassy PAOs, identify public diplomacy and/or public information resources and opportunities to highlight the importance of CTI, USG support for the initiative and local involvement with CTI activities.

-Continue the practice of supporting sound fisheries management and environmental regulatory reform with CTI 6 governments.

-Ensure appropriate US mission officers have regular communication with WWF, TNC, CI, and PI representatives on CTI topics.

-Report back to State / USAID on CTI related topics.

18. Department and USAID appreciate posts' efforts to support the CTI initiative as part of what we realize is already a very full plate. Department and USAID would welcome comment and feedback on your information and how we can assist you in promoting the success of CTI in your country. First POC's for CTI inquiries are: State: Christine Dawson, OES/ENRC and Ariel Wyckoff, EAP/RSP; USAID: Barbara Best, EGAT/NRM/W, John Wilson ME/TS and Charles Barber EGAT/ESP/MPC, and RDMA Bangkok: Winston Bowman, Rene Acostas. Bilateral POC's for the CTI are:

State: Howell Howard, ESTH Officer/ Bangkok; Joe Murphy ESTH Hub  
officer/ Suva;  
USAID: Alfred Nakatsuma, USAID/Indonesia; Daniel Moore,  
USAID/Philippines.  
RICE